



# DEPARTMENT of the INTERIOR

## news release

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HODEL SAYS ANWR PROPOSAL WOULD PROTECT  
BOTH WILDLIFE AND AMERICA'S ENERGY SECURITY IN 21ST CENTURY

Secretary of the Interior Don Hodel today told Congress that an environmentally sound oil leasing program for the Arctic National Wildlife Refuge (ANWR) in Alaska would be a double value insurance policy -- enhancing America's energy security at the turn of the century while safeguarding ANWR from crash development in a future oil crisis.

"This Nation can realize national security and economic benefits while maintaining thriving wildlife populations in ANWR," Hodel said in testimony prepared for a hearing before the House Subcommittee on Water and Power Resources.

"The greatest risk to the ANWR plain is to prevent exploration and development from occurring in an orderly way now," Hodel said. "Geologists agree that the area is the best place in the U.S. to find a super-giant oil field. If we fail even to look, we will invite predatory pricing activities against the U.S. Then in a future 'crisis' or 'panic' over energy supply, the body politic may demand that Congress mandate a crash exploration and development program."

The Secretary cited the World War II crash effort to explore a naval petroleum reserve in Alaska as an example of the damage that can occur in a crisis atmosphere.

"The marks of those exploration activities are still here and will be for decades to come," Hodel said. "In the midst of a national emergency, there are few scruples for moving slowly to protect the appearance of the tundra. In marked contrast to the bad example of war time exploration is the recent work that has been done in ANWR. With painstaking care this area has been subjected to detailed examination. Yet it is difficult to find significant traces of that work. Tracks would have covered the entire area had this Nation been in a hurry. Instead, by requiring careful monitoring and special rules we have been able to prevent such marring from taking place.

"We will be able to continue in that vein if we can begin now," Hodel emphasized.

Hodel told the subcommittee that while conservation, development of alternative energy resources and filling of the Strategic Petroleum Reserve are important elements of the Nation's energy program, it is imperative that America continue to explore for and develop its domestic oil and gas resources.

He noted that America must discover 30 billion barrels of oil in the next decade just to replace the proven reserves that will be used up during that time.

"The two most promising new prospects for adding significantly to America's oil and gas reserves are in the ANWR coastal plain and on the OCS (outer continental shelf) offshore California," Hodel said. He said that studies indicate these two areas together may contain upwards of one-half the oil the Nation must find by the year 2000.

Hodel pointed to the recent Energy Security Report to the President in outlining potential dangers facing the Nation if domestic oil production continues to decline while demand and imports are rising. The Secretary said indications are that petroleum will remain the main source of energy for the world through at least the first quarter of the coming century.

"As the U.S. and free world dependency (on oil imports) increases," Hodel said, "the sources of supply will increasingly be from Middle East sources...an area continually threatened by revolutions, regional wars or aggression from outside powers."

Hodel appeared before the subcommittee to discuss the importance of the federal offshore program and exploration of the ANWR coastal plain to the future energy security of the Nation. In April, in response to legislative mandates from Congress, the Secretary submitted a 5-year plan for offshore oil and gas leasing and announced a proposal for oil leasing in ANWR.